

OLC 77-2059
13 May 1977

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with Sam Hoskinson, National Security
Council Staff

1. Sam Hoskinson, NSC staff, called and gave me a brief rundown on the President's meeting with the members of the Senate Select Committee on Intelligence at the White House this morning.

2. Mr. Hoskinson said that on the subject of an open intelligence budget, the President held to the position taken by Admiral Turner in the open budget hearings before the Select Committee, which was that the Administration would not release the figure but if the Select Committee was interested in pursuing this matter with the full Senate, the Administration would not object to the release of one figure for all U.S. intelligence activities. The President strongly opposed any further breakout of intelligence budget data.

3. The President also expressed a view that the Select Committee should have consulted him earlier regarding the [] statement which it ultimately made public and inferred that he would hope that the Committee would not resort to the Section 8 procedure as it did in the [] incident.

4. On the subject of charters, the President indicated generally that once the PRM-11 exercise is completed, he would be willing to work with the Committee on the subject of intelligence charters but took the position that these charters should not go into great detail. This matter is being handled in the Executive Branch he said by the Vice President and Admiral Turner. In this connection, Senator Walter Huddleston (D., Ky.) expressed support for a strong DCI with line and resource control and the President seemed to agree with that position.

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REGISTRY FILE C-38.2

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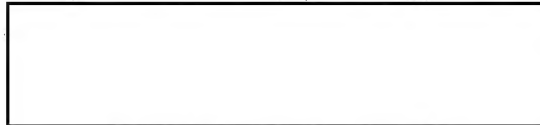
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5. Mr. Hoskinson also mentioned that Senator Birch Bayh (D., Ind.) indicated that he was very happy with the electronic surveillance bill which has been worked in the Executive Branch. Senator Barry Goldwater (R., Ariz.) expressed a view that the Administration was reporting in too great detail to the Select Committee on covert activities.

6. According to Mr. Hoskinson, at the end of the meeting, the President had great praise for CIA saying that it was doing a superb job and that its work was better than he had ever dreamed it would be. He also gave a strong endorsement of Admiral Turner.



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GEORGE L. CARY
Legislative Counsel

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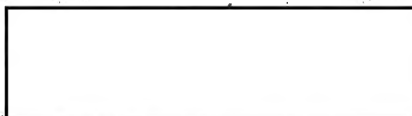
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MEMORANDUM FOR: [REDACTED]

Executive Registry
77-1265/1

Attached is a revised edition of the talking points dropped off in your office by Admiral Turner yesterday.



EA/DCI

Date 9 May 1977

FORM 101 USE PREVIOUS EDITIONS
5-75

Case attached

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EXECUTIVE REGISTRY FILE C-38.2

SUGGESTED POINTS FOR THE PRESIDENT TO RAISE
WITH THE SENATE SELECT COMMITTEE ON INTELLIGENCE

1. Legislative Charters.

- a. Willing to accept.
- b. Want to work closely with the Committee:

(1) to avoid a situation in which the legislative charters become too detailed and tie down the specifics of the intelligence process in too permanent a manner.

(2) so that central purpose of charter is not lost in unnecessary debate over executive and legislative privilege.

c. Hope charters and new Executive Order can be a matching set.

d. Expect to have our proposed changes to Executive Order ready by mid-June.

(1) Will discuss with Committee prior to issuing.

2. Security of Information.

- a. Imperative be able to hold important data.

(1) Hope Select Committee can
shoulder most of Senate responsibility
for oversight of sensitive materials.

3. Open Budget.

a. Agreed not to object to disclosure of a single
budget figure in a desire to be more forthcoming and open.
Am persuaded that only a single figure can be released within
the bounds of security. Am prepared to enforce a strict policy
on that regard within the Executive Branch.

b. It is now up to the Senate as to what you want to do.
Do not want to attempt to dictate to you because of the
accompanying responsibility also to maintain a strict adherence
to a policy of only one number.

4. Intelligence Oversight Board.

a. Have reconstituted the Intelligence Oversight Board
with three capable men. The Chairman has had some experience
in the intelligence business and hence will lead a modicum of
expertise. Senator Gore and Governor Scranton are, of course,
citizens with distinguished records of public service.

b. Have elected to disestablish the President's Foreign
Intelligence Advisory Board, largely in view of the increased
role that the Senate Select Committee is playing in reviewing
the intelligence process. I anticipate a continuing and useful
dialogue with the Committee and hope that this will, in large

measure, substitute for the Advisory Board. In addition, such a Board must have access to all of the most sensitive intelligence information. There is always some risk inherent in simply expanding the numbers of people exposed to this kind of information.

5. Electronic Surveillance Bill.

a. This Administration has submitted an Electronic Surveillance Bill which should be effective in preventing abuse of personal liberties of our citizens as a result of improper electronic surveillance.

b. The Attorney General is developing a bill that will similarly prevent abuses of physical surveillance.

c. The Attorney General is also developing legislation to protect the rights of Americans overseas against all forms of surveillance.

SUGGESTED POINTS FOR THE PRESIDENT TO RAISE
WITH SPEAKER O'NEILL AND OTHER MEMBERS OF
THE HOUSE OF REPRESENTATIVES

1. House Select Committee on Intelligence.

a. Hope that the House can move expeditiously in creating such a body.

b. The parallel committee in the Senate is proving very useful.

c. Would hope that such a committee would be able to assume some of the jurisdiction that is presently spread over three committees in the House, especially with regard to the necessary disclosure of highly sensitive information such as covert operations and clandestine collection.

d. Would hope that the activities of this committee could be exempted from Rule 11, whereby any Member of the House can have access to the records of any committee.

e. Have confidence in the Speaker's selection of highly responsible members for such a sensitive operation.

2. Open Budget.

a. Agreed not to object to disclosure of a single budget figure in a desire to be more forthcoming and open. Am persuaded that only a single figure can be released within the bounds of security, and am prepared to enforce a strict policy on that regard within the Executive Branch.

4. Intelligence Oversight Board.

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b. Have elected to disestablish the President's Foreign Intelligence Advisory Board, largely in view of the increased role that the Senate Select Committee is playing in reviewing the intelligence process, and hopefully a House Select Committee will play. In addition, such a Board must have access to all of the most sensitive intelligence information. There is always some risk inherent in simply expanding the numbers of people exposed to this kind of information.

DCI

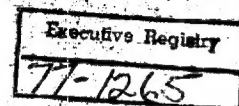
Zone - Vice
President

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5/9/77

The Director of Central Intelligence

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9 May 1977

MEMORANDUM FOR : The Vice President
FROM : Director of Central Intelligence

Attached are two talking papers for the
President's meetings later this week with
Congressman O'Neill and Senator Inouye.

/s/ Stansfield Turner

STANSFIELD TURNER

Attachment

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SUGGESTED POINTS FOR THE PRESIDENT TO RAISE
WITH THE SENATE SELECT COMMITTEE ON INTELLIGENCE

1. Legislative Charters.

- a. Willing accept.
- b. Want to work with the Committee to avoid a situation in which the legislative charters become too detailed and tie down the specifics of the intelligence process in too permanent a manner.
- c. Hope charters and new Executive Order can be a matching set.
- d. Expect to have our proposed changes to Executive Order ready by mid-June.
 - (1) Will discuss with Committee prior to issuing.

2. Security of Information.

- a. Imperative be able to hold important data.
 - (1) Hope Select Committee can shoulder most of Senate responsibility for oversight of sensitive materials.

3. Open Budget.

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can be released within the bounds of security. Am prepared to enforce a strict policy on that regard within the Executive Branch.

b. It is now up to the Senate as to what you want to do. Do not want to attempt to dictate to you because of the accompanying responsibility also to maintain a strict adherence to a policy of only one number.

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b. Have elected to disestablish the President's Foreign Intelligence Advisory Board, largely in view of the increased role that the Senate Select Committee is playing in reviewing the intelligence process. I anticipate a continuing and useful dialogue with the Committee and hope that this will, in large measure, substitute for the Advisory Board. In addition, such a Board must have access to all of the most sensitive intelligence information.

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b. The parallel committee in the Senate is proving very useful.

c. Would hope that such a committee would be able to assume some of the jurisdiction that is presently spread over three committees in the House, especially with regard to the necessary disclosure of highly sensitive information such as covert operations and clandestine collection.

d. Would hope that the activities of this committee could be exempted from Rule 11, whereby any Member of the House can have access to the records of any committee.

e. Have confidence in the Speaker's selection of highly responsible members for such a sensitive operation.

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Suggested Points to Raise with Senate Select Committee on Intelligence

1. Legislative Charters -

Willing accept

Concerned lest be too detailed and permanent

Expect to have our proposed changes to Executive Order
ready by mid-June

Will discuss with Committee prior to issuing

Hope Charters and new

Executive Order can be a matching set

2. Security of Information

Imperative be able hold important data

Hope Select Committee can shoulder most of Senate
responsibility for oversight of sensitive materials.

3. Open Budget

"As stated by Admiral Turner in his testimony on 27 April,
I would not object if the Congress decided to release to the
public a single figure for the national foreign intelligence
program budget. I do this with the sense of confidence that
I would be able to hold the line within the Executive Department
to prevent any breakdown of that single figure into its component
parts. It is not within my purview to make a similar determination
of the ability to prevent an unraveling within the Legislative
Branch. It is the responsibility of Congress itself to come to
their own conclusion on this basic factor in deciding whether or
not to release the figure."

77-119011

May 24, 1977

Admiral Stansfield Turner
Director
Central Intelligence Agency
Washington, D.C. 20505

IN REPLY PLEASE
REFER TO R#7984

Dear Admiral Turner:

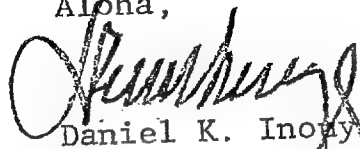
On behalf of the SSCI, I am sending for your information a copy of our classified Report on the national intelligence estimates process as reflected in the recent report on the NIE B Team experiment in competitive analysis. The Report, prepared by the Subcommittee on Collection, Production and Quality chaired by Senator Adlai Stevenson, examines the facts of the case and analyzes both the procedures used in the experiment on competitive analysis and the national intelligence estimates process. It also makes findings and recommendations for improvement in the national intelligence estimating process.

The Report has been reviewed and approved by the Subcommittee on Collection, Production and Quality and the full Committee. In addition, Admiral Stansfield Turner has submitted at our request comments on the draft report. His comments in large measure were constructive and helpful and many were incorporated into the final draft of the Report. The Report also contains the additional views of Senator Gary Hart. The preparation of the Report was undertaken with the full cooperation of all the agencies of the national intelligence community and of the recent President's Foreign Intelligence Advisory Board. ILLEGIB

A copy of this Report has been sent to the President and Vice President.

With kind regards,

Aloha,


Daniel K. Inouye
Chairman

Encl.

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SUGGESTED POINTS FOR THE PRESIDENT TO RAISE
WITH THE SENATE SELECT COMMITTEE ON INTELLIGENCE

1. Legislative Charters.

- a. Willing to look at question of need for modifications to or additions to charters.
- b. Want to work closely with the Committee:
 - (1) to avoid a situation in which the legislative charters become too detailed and tie down the specifics of the intelligence process in too permanent a manner.
 - (2) so that central purpose of charter is not lost in unnecessary debate over executive and legislative privilege.
- c. Hope charters and new Executive Order can be a matching set.
- d. Expect to have our proposed changes to Executive Order ready by mid-June.
 - (1) Will discuss with Committee prior to issuing.

2. Security of Information.

- a. Imperative be able to hold important data.
- b. Hope Select Committee can shoulder most of Senate responsibility for oversight of sensitive materials.
- c. Taking steps to reduce proliferation of sensitive material in Executive Branch and hope Committee will do same in Congress.

d. In furtherance of above, would like to see joint committee on intelligence or select committee in the House comparable to the Senate Select Committee.

e. Would also like to see repeal or modification of Section 662 (Hughes/Ryan amendment) of the Foreign Assistance Act, to limit reports on covert action programs to four committees of Congress maximum.

3. Open Budget.

a. Agreed not to object to disclosure of a single budget figure in a desire to be more forthcoming and open. Am persuaded that only a single figure can be released within the bounds of security. Am prepared to enforce a strict policy on that regard within the Executive Branch.

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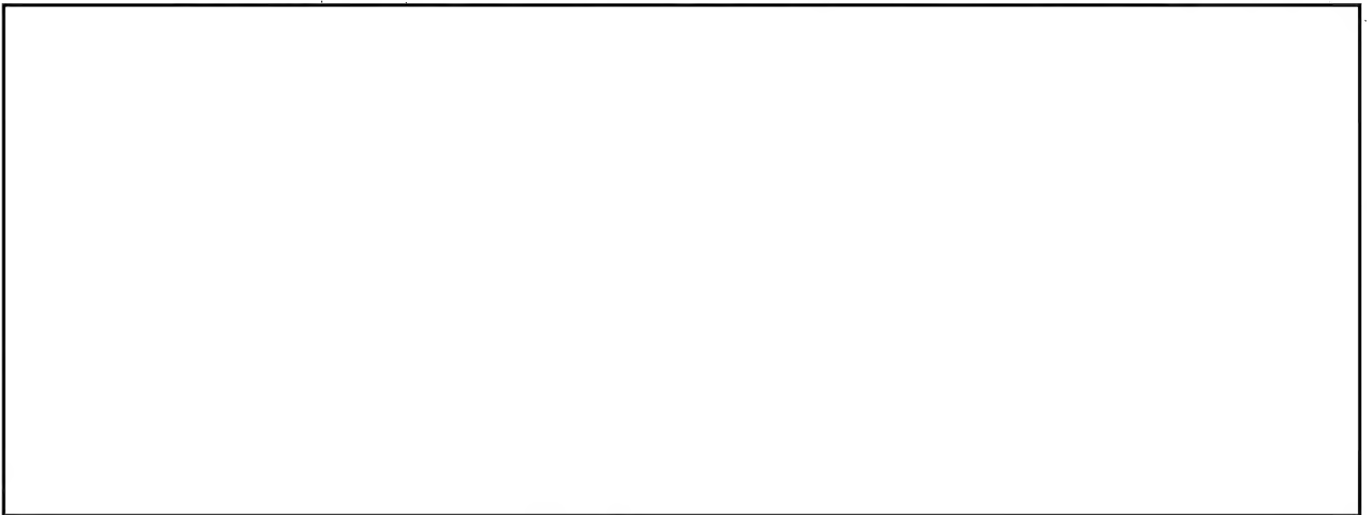
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7. Positive Role that Oversight Committees Can Play.

a. Dispelling notions created in the press regarding such things as "quid pro quo" between U.S. and foreign intelligence agencies.

b. Dispelling erroneous allegations concerning CIA involvement in

c. Conducting investigations (such as) without risk of disclosure of intelligence sources and methods.

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d. Assistance in protecting intelligence agencies against unintentional limitations that might be imposed in general statutes -- such as assistance members gave in handling recent amendments to Securities and Exchange Act (S. 305).

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